

BUSINESS PLAN

FOR

MANUFACTURING AND SELLING

OF

ELECTRIC LIGHTING EQUIPMENT

**Tanzania Zhongjiang Technology
Company Limited**

Executive Summary

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED a private business company incorporated in the United Republic of Tanzania with Certificate of incorporation No.183407422 issued on 21st May 2024. The proposed business plan is of Manufacturing of electric equipment at **Region: Pwani,kibaha ,msufini,picha ya ndege .**

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED The proposed new project shall cost US\$ 1,500,000 and creating new employment of 55 local people and 6 foreign people.

LEGAL STATUS AND COMPANY BACKGROUND BRIEF

bears the certificate No183407422. issued in 2002 by BRELA.

The shareholders of TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED are WU JINGZHONG and WU JIAYU

The company is owned by three shareholders,namely:-

Name	%of Shares	Nationality
WU JINGZHONG	51	China
WU JIAYU	49	China

LOCATION.

Situated at **Msufini, picha ya ndege, Kibaha, PWANI.**

MISSION

Prompt and professionally high-quality service delivery to customers, aimed at ensuring that they realize the highest value for money, thereby increasing the market share and seizure of every available opportunity for the company's growth.

Core Values

Service provision with commitment, integrity and creativity while treating each customer as if they were the company's only customer

BANKERS

The company is currently maintaining bank account of the following bank.
NMB BANK

AUDITED REPORTS

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED will maintain good financial reports which will be audited by reputable auditor firm

BASIS OF THE BUSINESS PLAN

A study based on rapid appraisal surveys was conducted prior to, and as the basis of preparation of this plan, the surveys were based on the following objectives and approach:

Study Objectives:

- a) To analyze the relevant market and other factors impacting up on the supply of electrical lighting equipment such manufacture of electric lighting equipment such as Indoor decorative lighting, outdoor lighting (street Lights, solar streets lights, garden light, landscape Lights, square lights, lighting electrical appliance
- b) To carry on the business of electrical lighting equipment.
- c) To carry on the business of consumer electronics.
- d) Design and installation services for comprehensive product technical solution, local production and assembly of household appliances AND curtains.
- e) To provide supporting documentation required for manufacturing of electric lighting equipments at The new project is located at Msufini, picha ya ndege, Kibaha, PWANI.

Study Approach:

- a) Participatory: Semi- structured interview and discussion were held with the Company's Directors, stakeholders in packaging works and related businesses
- b) Physical visits to the company's main business premises
- c) A brief market survey on electric lighting equipment industries in Tanzania and electronics production, Characteristics of demand and the general market structure of electric lighting equipments , competition among suppliers and producers in the market.
- d) Conduction of profitability/viability test of the investment, using the appropriate financial projections for the initial period of five years proposed for the business operations.

THE PROJECT

Project Concept

The project involves establishing a new MANUFACTURING OF ELECTRIC EQUIPMENT; this will include construction of and installations of modern machines, purchasing vehicles, new generator etc.

The planned production capacity is 8000 number of units per year.

Project planned business project will entail the following main activities:

- Making shopping visit to Tanzania, China and other supplier countries to identify the suitable and appropriate machinery for the planned project.
- Ordering of the material for production, machinery, motor vehicles and their assorted and equipment from China and other overseas suppliers and entering into agreements for the purchase/ acquisition of those assets.
- Consigning the purchased machinery and motor vehicles including all the equipment and accessories from countries of their origin to Tanzania
- Clearing of all the purchased goods from the ports of entry and transporting them to the company's premises in PWANI.

Project Objectives

Development Objectives:

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED aims at playing a significant role in the participation of the company in the efforts to maximize exploitation of the largely existing business potential in manufacturing industry particularly in electric lighting equipment industry and electronics items.

Immediate Objectives:

- a) To manufacture electric equipment things production capacity of 8000 units per year.

- b) Creating employment opportunities to skilled and semi-skilled Tanzanians in industrial operations, including their supplies and distribution in the company's business.

- c) Selling the product produce and sell them to customer and get profit.

Overview of the Manufacturing Sector and electric equipment industry in Tanzania

- **The economy**

Tanzania is one of the fastest growing economies in Africa, thanks to the sustained economic reforms which are being undertaken since the late 1980's.

The country's economy has been constantly growing since mid-1990 by an average of 5.9%, and now growing at an average of 7% which make Tanzania economy to be among the fastest growing economy in Africa and world at large. The overall vision is to transform the sector of the economy from the present level of per capital GDP of about US\$867 to medium developed country with an average per capital GDP of around US\$2,500 (National Development Vision 2025), the GDP from manufacturing 926,333 TZS million.

- **Manufacturing Industry**

Tanzania manufacturing sector contributes 5.6% to the country GDP in 2014 with \$2.69bn compared to \$1.47bn in 2009, representing an increase of 82%.

Tanzania's manufactured goods imports tripled over the past 5 years increasing from US\$497.7m in 2010 to US\$1.4 billion in 2015 accounting for 25% of Tanzania's total exports value

MANUFACTURING OF ELECTRIC EQUIPMENTS.

Manufacturing electric lighting equipment involves a series of well-defined steps depending on the type of lighting equipment being produced. Here's a general overview of the manufacturing process for electric lighting equipment, such as LED bulbs, fluorescent lights, and fixtures.

MANUFACTURING PROCESS OVERVIEW

1. Design & R&D

- Electrical and optical design
- Thermal analysis (important for LED lights)
- Circuit and driver design
- Housing and aesthetics

2. Component Procurement

- LED chips or modules
- PCB (Printed Circuit Boards)
- Drivers or power supplies
- Heat sinks
- Diffusers and lenses
- Casings (plastic, aluminum, etc.)

3. Electronic Assembly

- Mounting LED chips on PCBs (using SMT – Surface Mount Technology)
- Soldering and bonding of components
- Attaching drivers to the LED board

4. Housing & Enclosure Assembly

- Attaching heat sink to the board
- Inserting the board into the housing
- Sealing with the diffuser/lens cover

5. Testing and Quality Control

- Electrical testing (voltage, current, power factor)
- Luminous flux and color temperature testing
- Thermal testing
- Durability and safety testing (shock, fire resistance)

6. Packaging

- Custom branding
- Instruction manuals
- Eco-friendly packaging (if applicable)

7. Distribution

- Warehousing
- Transport to retailers, wholesalers, or directly to consumers

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED is poised to exploit to the maximum, the anticipated development in this Sector for its own enhanced growth.

BUSINESS ENVIRONMENT ANALYSIS;

Internal Approach;

Management:

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED as a corporate entity is managed under the Board of Directors. Day to day management of its conducted under the company's Managing Director who will be assisted by directors, Managers, senior officers etc. The Managing Director will be closely assisted by well qualified professionals in the manufacturing of electric lighting equipment and electronics product . The company managers, heads of departments and operational staff for the production machines will be recruited for their competence, experience and good track record in their respective fields and in previous employments.

External Environment:

The market:

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED marketing policy aim at two objectives:

- Further penetration/entrenchment into the market's main Segments to increase and retain larger market share
- Early investment cost recovery to enhance economic viability Of the company's business and expedite its growth.

The policy will be hinged on continual conduction of market surveys as a way of establishing current market situations and also as the means of enabling the company to develop marketing strategies which will facilitate achievement of set out sales goals, on monthly and annual basis. Surveys will enable the company to identify the potential market for its products and plan strategies for its penetration.

The market surveys conducted during feasibility study for this project established that, demand electronics item product in the country is growing with each passing year.

Market Potential:

The global electric lighting equipment market was valued at USD 600 billion in 2022 and grew at a CAGR of 6% from 2023 to 2032. The market is expected to reach USD 1074.50 billion by 2032. The increasing number of working professionals will drive the growth of the global household appliances market.

The electrical industry, encompassing equipment, services, and components, is a global market projected to grow significantly, driven by urbanization, industrialization, and the increasing demand for reliable and efficient electricity, with a focus on renewable energy and smart grid technologies

The global electrical equipment market size was valued at USD 1,513.22 billion in 2024. The market is projected to grow from USD 1,660.20 billion in 2025 to USD 3,326.86 billion by 2032, exhibiting a CAGR of 10.4% during the forecast period.

Competition:

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED is expecting to face competition from existing electric lighting equipment industries which controls a sizeable market share of Electrical product, the company plan to increase market share by investing in a new and bigger manufacturing industr.

PROJECT OPERATING COSTS

In order to realize its intended objective, the project operating costs will vary based on total revenue.

REVENUE ASSUMPTIONS

- For the purpose of this project all revenue will come from electric lighting equipment and electronics items we sell.
- The annual revenue to grow by different percentages depending on market demand annually
- Revenue projections are based on experiences gained by the firm for being in the market for five years now.

CONCLUSION AND RECOMMENDATION

Conclusion

The project is viable and profit able throughout the project period, after the foregoing economic and financial evaluation of the project; we strongly recommend that **TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED** Board of Directors approval and accept the business proposal. The new project deserves this support because of its viability, since it is technical feasible, economically viable and socially acceptable.

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED

PARTICULAR	US\$
Building	300,000.00
Machinery&Equipment	600,000.00
MotorVehicles	150,000.00
Furniture&Fixtures	60,000.00
Preexp	90,000.00
Working Capital	300,000.00
TOTAL	1,500,000.00

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED
FINANCIAL PROJECTIONS SUMMARY FROM 2025 TO 2028
PROJECTED STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME FOR 5 YEARS

DETAILS	2024	2025	2026	2027	2028
CURRENCY	USD	USD	USD	USD	USD
SALES	800,000	808,000	830,000	980,000	990,000
TOTAL INFLOW	800,000	808,000	830,000	980,000	990,000
COST OF SALES					
Opening Inventory	0	204,407	384,084	495,000	498,000
Add: Production Cost	597,549	590,538	540,700	580,980	582,000
Less: Closing Inventory	-204,407	-384,084	-495,000	-498,000	-500,000
	393,142	410,861	429,784	577,980	580,000
GROSS PROFIT	406,858	397,139	400,216	402,020	410,000
OPERATING EXPENSES					
Administration Expenses	120,000	100,267	100,313	100,000	107,900
Sales and Distribution Expenses	90,000	90,100	90,200	90,800	107,000
Finance Cost	50,210	50,130	50,227	50,112	50,014
Depreciation Expense	20,000	20,160	20,127	19,102	19,484
-	0	0	0	0	0
TOTAL OPERATING EXPENSES	280,210	260,657	260,867	260,014	284,398
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PROFIT FOR THE YEAR	126,648	136,482	139,349	142,006	214,560

TANZANIA ZHONGJIANG TECHNOLOGY COMPANY LIMITED
FINANCIAL PROJECTIONS SUMMARY FROM 2024 TO 2028
PROJECTED STATEMENT OF FINANCIAL POSITION FOR 5 YEARS FROM 2024 -2028

DETAILS	2024	2025	2026	2027	2028
CURRENCY	USD	USD	USD	USD	USD
ASSETS					
NON-CURRENT ASSETS					
PPE	73,000	74,100	76,000	77,000	80,000
TOTAL NON-CURRENT ASSET	73,000	74,100	76,000	77,000	80,000
CURRENT ASSET					
Inventory	204,407	384,084	495,000	498,000	500,000
Trade Receivables	120,000	90,500	50,000	50,800	50,900
Working Capital	100,000	100,000	100,000	100,000	100,000
Cash and Cash Equivalent	30,000	30,600	30,800	36,900	37,000
TOTAL CURRENT ASSET	454,407	605,184	675,800	685,700	687,900
TOTAL ASSETS	527,407	679,284	751,800	762,700	767,900
EQUITY AND LIABILITIES					
EQUITY					
Share Capital	300,000	300,000	300,000	300,000	300,000
Retained Earnings	60,000	82,455	99,260	99,900	99,990
TOTAL EQUITY	360,000	382,455	399,260	399,900	399,990
LIABILITIES					
Trade Payables	66,382	97,800	152,540	162,000	167,910
Other Payables	101,025	199,029	200,000	200,800	200,000
TOTAL LIABILITIES	167,407	296,829	352,540	362,800	367,910
TOTAL EQUITY AND LIABILITIES	527,407	679,284	751,800	762,700	767,900